

2/4/77 [1]

Folder Citation: Collection: Office of Staff Secretary; Series: Presidential Files; Folder: 2/4/77 [1]; Container 5

To See Complete Finding Aid:

http://www.jimmycarterlibrary.gov/library/findingaids/Staff_Secretary.pdf

WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
Note	<p>Hutcheson to Moore, et al., w/attachments, 5 pp.</p> <p>Re: Senate and Foreign relations</p> <p>OPENED 1/12/13</p>	2/4/77	A

FILE LOCATION

Carter Presidential Papers, Staff Offices, Office of Staff Secretary, Presidential Handwriting File, 2/4/77 [1] Box 5

RESTRICTION CODES

- (A) Closed by Executive Order 12356 governing access to national security information.
- (B) Closed by statute or by the agency which originated the document.
- (C) Closed in accordance with restrictions contained in the donor's deed of gift.

THE WHITE HOUSE
WASHINGTON

February 4, 1977

Jody Powell

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Tim Kraft

Jules Witconer

THE WHITE HOUSE
WASHINGTON

2/3/77

Ham Jordan
Tim Kraft

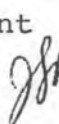
The attached is for your information.

Rick Hutcheson

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

February 2, 1977

TO : The President
FROM: Jody Powell 
RE : Jules Witcover

As you know, Jules and Jack Germond will be collaborating on a column beginning in the next few weeks. Jules is wrapping up his campaign book and requests a few minutes with you to catch some loose ends.

I see Jack and Jules as the alternative to Evans and Novak. I think it is important to continue to develop our good relationships with them. Therefore, I suggest that we give him about 15 minutes during the next week or ten days.

May we schedule this at a convenient time?

Yes 

No 

JLP:cs



THE WHITE HOUSE
WASHINGTON

February 4, 1977

Hamilton Jordan

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

*Federal Home Loan
Bank Board
Tom B. Scott
John W. E. Bowen III
James C. Robinson*

CC

Ham

To - Pres
Carter

I promised Robert
I would
give you this
CK

January 3, 1977

Ham -
Good - top
position for us
to fill
J

Honorable Jimmy Carter
President Elect
Plains, Georgia 31780

Re: Federal Home Loan Bank Board

Dear Jimmy:

Your concerns for the next several years will encompass all agencies and activities that affect the lives of people in this country and in the world. Housing will be one of those concerns during the entire time that you will be in office and as long thereafter as people exist. Currently, the savings and loan industry has a greater involvement in this facet of American life than does any other segment of private industry or public agency. The Federal Home Loan Bank Board regulates, supervises and examines this industry. It is supposed to have a three-man Board but has functioned since July 1, 1975, with a membership of only two.

Whether or not you ever personally see this letter, conscience will not permit me to let it go unwritten. The effects of your decisions with respect to this Board can materially affect the lives of millions.

First, the Board should and must remain as an independent agency.

Second, the background experiences and educational attainments of the persons placed on the Board by you are extremely critical to the future success of the Board.

Of the three members, one should be a person knowledgeable about and with first-hand experience in the management of a savings and loan association. There is a vast difference in many instances between that which looks good in theory as against that which will work in practice. Therefore, in promulgating its regulations, there is a definite need to have one person on the Board capable of translating proposed actions into practical effects. While this position runs contrary to the Jack Anderson, Ralph Nader, et al., "revolving door syndrome," nonetheless, it is valid.

RECEIVED JAN 10 1977
FEDERAL HOME LOAN BOARD

One of the three should be a lawyer. This is not to say that lawyers are better than non-lawyers (Watergate shattered that myth), but the Board deals in highly technical matters on occasions. As a general rule, the staff promulgates suggested changes in regulations and drafts these proposals. They are, of course, couched in legal terms and as a precaution against the possibility of the Board being dominated by its staff, one of the members should have the background and expertise that would permit this member to understand the legal consequences of the actions about to be taken without having to rely solely upon staff counsel.

There are hundreds, if not thousands, of persons in these United States who would be qualified and capable as members of this Board. It is unfortunate that all will never become known to you so as to broaden the base from which your choices necessarily will be made.

For whatever value there may be to you, the following are three of those persons that in my opinion could serve with distinction on the Board:

As Chairman: Tom B. Scott, Jr.

Mr. Scott is a Democrat, is President of Unifirst Federal Savings and Loan Association of Jackson, Mississippi. Mr. Scott has served for the past six years as Chairman of the Legislative Committee of the United States League of Savings Associations. In this capacity he has made numerous appearances on Capital Hill before various Committees of Congress. Mr. Scott has a knowledge both of the desires expressed by various members of Congress as to a restructuring of the financial community as well as a knowledge of the feelings of the savings and loan industry on the various topics. Mr. Scott is well aware of responsibilities that the industry has to the public and to the country above and beyond the narrow views held by some. This interest was demonstrated during the recent crisis in Mississippi with respect to the uninsured savings and loan associations when he caused his association to take a leadership role in making certain that the saver consumers in those other institutions did not suffer any losses. Mr. Scott is articulate, intelligent, and knowledgeable. His integrity has never, to my knowledge, been questioned.

As the Republican Member should a vacancy occur: John W. E. Bowen, III

Mr. Bowen is, of course, a Republican, is a practicing attorney in Columbus, Ohio, and currently serves as Chairman of the Board of the Federal Home Loan Bank of Cincinnati. Mr. Bowen has seen public service in the Ohio State Senate. Mr. Bowen

Hon. Jimmy Carter
January 3, 1977
Page Three

is black. This latter fact has nothing whatsoever to do with his qualifications and is stated for information purposes only. While Mr. Bowen is not known personally to me, I have made inquiries among persons in whose judgment I have confidence and in all instances the report back has been excellent.

For the Democrat position should it become vacant: James C. Robinson

Mr. Robinson is approximately 50 years of age, is a Democrat and is an attorney in Orlando, Florida. In addition to having been a leader in organized Bar activities, he has been an outstanding civic leader in the Orlando area, has been active in many charitable activities and has been a leader in the Presbyterian Church locally, statewide and at the General Assembly level. Mr. Robinson has been general counsel of First Federal Savings and Loan Association of Orlando, Florida, and is, consequently, knowledgeable with respect to the savings and loan industry.

Jimmy, whether or not you look at any of these people is of little or no consequence. What does matter is an approach by you to the subject of filling this Board with care and concern and not in a perfunctory manner.

Although perhaps considered a trite expression at a time like this, "Best Wishes" expresses a heartfelt sentiment as you embark on your momentous task.

Sincerely,

J. Robin Harris
President

JRH/co

cc: Mr. Bert Lance
Mr. James Mathis, Sr.

(2)

THE WHITE HOUSE
WASHINGTON

February 4, 1977

Ham Jordan -

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

FYI cc: Jack Watson

*See Kreps letter on
Women*

THE WHITE HOUSE
WASHINGTON

February 2, 1977

Ham

MR PRESIDENT:

Ham Jordan reviewed the attached
and had no comments to offer.

Rick Hutcheson

THE WHITE HOUSE
WASHINGTON

*Ham
J*

February 1, 1977

MEMORANDUM FOR: THE PRESIDENT
FROM: JACK WATSON *Jack*
SUBJECT: LETTER FROM SECRETARY KREPS

The attached letter to you from Juanita Kreps is self-explanatory. I have sent a copy of her letter and its attachments to Ham.

Attachment



THE SECRETARY OF COMMERCE
Washington, D.C. 20230

Dear Mr. President:

I am aware that a concerted effort is being made to appoint qualified women to posts in the Administration. But as you know, the results to date have been disappointing to women and I have received calls and letters from many prominent women asking that we increase the number of top positions going to women.

To confirm the Administration's commitment to women, I would urge that we make a special effort in the near future to select several women for senior posts. Once we have decided on five or six, I would suggest that you hold a press conference and personally announce your choices.

To assist you in your selection process, I suggest the following women for your consideration:

Diane Feinstein of San Francisco for the position of member of the Council for Environmental Quality. Ms. Feinstein is a member of the Board of Supervisors of San Francisco and has served as Board President twice. She has developed an expertise in environmental and urban affairs. (See Tab A)

Anne C. Martindale of Princeton, New Jersey for Ambassador to the Netherlands or Denmark. She is presently a member of the New Jersey State Senate and has been active in the Democratic Party nationally and in New Jersey. She has a long history of involvement in community affairs in New Jersey. (See Tab B)

Eleanor Holmes Norton of New York for Chairperson of the Equal Opportunity Employment Commission. A graduate of Yale Law School, she is Chairperson of the New York City Commission on Human Rights. She is a well respected black leader. (See Tab C)



— 2/1
Heather Ross is
now Acting Asst
Secy for Prog Development
& Budget - Interior
Dept —

Anne Wexler thinks
she should stay
there & she would
like to.

B

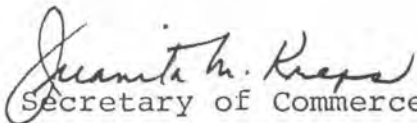
Dr. Barbara Regan of Dallas, Texas for Ambassador to the U. N. Economic and Social Council. She is Professor of Economics at Southern Methodist University, and former President of the American Economic Association. (See Tab D)

*She wants
to stay
in Interior*

Dr. Heather L. Ross of Washington, D.C. for Associate Director of the Office of Management and Budget for Natural Resources. An economist, she is presently the director of the Office of Policy Analysis of the Department of Interior. She has previously been a researcher at the Urban Institute and a staff economist at the Senate Budget Committee. (See Tab E)

Madeleine H. Russell of San Francisco for Ambassador to Canada, France, Belgium or Switzerland. She is the former Democratic National Committeewoman from California and former Director of the State Department Visitors Center in San Francisco. She is able and competent and fluent in French. (See Tab F)

Respectfully,


Secretary of Commerce

Enclosures

The President
The White House
Washington, D.C. 20500

RECEIVED
JAN 10 1967

58

THE WHITE HOUSE
WASHINGTON

Ham -

I'd like your
comments before
submitting to The
President.

gm 7/2

Rich Rich

HJ has seen - OK
- Eric

THE WHITE HOUSE
WASHINGTON

February 1, 1977

MEMORANDUM FOR: THE PRESIDENT
FROM: JACK WATSON *Jack*
SUBJECT: LETTER FROM SECRETARY KREPS

The attached letter to you from Juanita Kreps is self-explanatory. I have sent a copy of her letter and its attachments to Ham.

Attachment

*HTJ has seen
- no comment
- ready to go to Pres.*

THE WHITE HOUSE
WASHINGTON

February 4, 1977

Mark Siegel

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

Nevada ERA

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

MEMORANDUM TO THE PRESIDENT

FROM: MARK SIEGEL *MS*
DATE: FEBRUARY 3, 1977
SUBJECT: NEVADA ERA

ERA is in a critical stage in Nevada. Hearings will be completed on Saturday, with a committee vote on Monday, and a full vote of the Senate on late Monday or Tuesday. Judy Carter is testifying at hearings in Las Vegas on Saturday. Current projection is a 10-10 tie with one of the proponents wavering.

I met with representatives of ERAmerica, Labor, Senator Bayh, Midge Costanza and the First Lady's staff this morning. A strategy and course of conduct emerged, predicated on a phone call from you to Governor O'Callaghan. Senator Bayh has spoken to Mike O'Callaghan and Bayh believes a call from you could be very productive. If you agree to call, you should touch on the following points:

1. Thank Mike for the leadership he's shown on this issue -- he's really been quite good.
2. Ask him to continue to "use all his muscle" to try to hold the ten proponents and pick up that crucial 11th vote.
3. Ask him what steps you, and/or Mrs. Carter might take to help the situation -- whether calls to marginal Democrats would be productive, whether you should send a mailgram to the members of the Judiciary Committee and the full Senate, whether such a written communication should go to the 17 Democrats alone or should also include the 3 Republicans.

4. Whether a call from you to former Governor (and National Committeeman) Grant Sawyer would be useful. (I'm informed from inside the state that a call to Sawyer from you would be very effective and potentially decisive, but you should go through proper protocol and have O'Callaghan urge you to do it.)

7/10

If you agree to make the phone call, and you and Governor O'Callaghan agree that a mailgram would be helpful, I suggest the following three different wires be sent immediately:

- A. To firm or apparently firm Democratic pro-votes:

I strongly favor the passage of the ERA which would guarantee basic human rights to all Americans, regardless of their sex. My Administration and the Democratic Party have taken a firm and unequivocal stand on this issue, and I would hope that when the Amendment comes before you next week, you take positive action. This is very important to me and to the Nation.

- B. To marginal -- shaky Democratic pro-votes and Democrat no-votes:

I fully understand some of the issues often raised against passage of the ERA, and can also appreciate the pressure which is being applied by organized opponents. However, I want you to know just how important this issue is to me, our Party, and my Administration. The Equal Rights Amendment seeks to guarantee basic human rights to all Americans, regardless of their sex. Despite some distorting negative publicity, the language of the Amendment would indeed accomplish this goal of equal protection under the law. I would hope that you would give the issue very serious consideration when it comes before you, and take positive action on an issue which is important, substantively and symbolically, to the future of our nation.

1 2

C. To the 3 Republican votes (~~2~~ against, ~~1~~ for):

Both the Democratic and Republican Parties have taken strong stands in favor of the Equal Rights Amendment. As President of the United States, I want to take this opportunity to express my sincere hope that you would consider this bipartisan issue very thoroughly, and take the only action that is consistent with the best interest of our Nation, Democrats and Republicans alike, men and women alike -- the passage of the amendment in Nevada. Like former President Ford, I believe that this issue is critically important, both substantively and symbolically, to the future of our great and good country.

Repubes

☒ Yes, I made the phone call. Proceed with telegrams.

☐ Yes, I made phone call; do not send any communications

☐ No phone call

☐ Other

*Double check
names c Faith*

*Greaves -
702-885-5670*

THE WHITE HOUSE
WASHINGTON

February 4, 1977

Bob Lipshutz

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Frank Moore

Commissioner Dixon
of FTC

Lipschultz
moose

MEMORANDUM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE
WASHINGTON

2/3/77

TO: The President
FROM: Frank Moore *F.M.*

Attached is a letter from today's Summary of Congressional Mail to The President that I thought you would want to see personally.

*Bob -
Can I file
him? If not,
prepare 1-line
reply for
me
J*

14
Urge Removal
Comm. Wilson

THE PRESIDENT HAS SEEN.

Congress of the United States
House of Representatives
Washington, D.C. 20515

February 1, 1977

EEB 02 1977
R. P. ...

FM
Honorable Jimmy Carter
President
The White House
Washington, D.C.

Dear Mr. President:

We urge you to use your statutory authority to remove for cause Commissioner Paul Rand Dixon of the Federal Trade Commission.

Mr. Dixon's widely-reported comments directed at Mr. Ralph Nader display the basest form of prejudice. They offend not only Americans of Arab descent but all citizens who expect the highest level of decency and integrity from their public officials.

Mr. Dixon's refusal to apologize further evidences his poor taste and judgment.

But even his apology cannot dispel the cloud which has been cast over his independence and discretion in the many proceedings before his agency in which Mr. Nader participates.

Little can be done to cure the numerous decisions made by the Federal Trade Commission since the 1960's which may have been colored by Mr. Dixon's bias. But his removal can at least assure that future decisions will not suffer from the same disability.


His removal would also preserve our citizens' trust in the decency and fairness of our government officials without which our system cannot function.

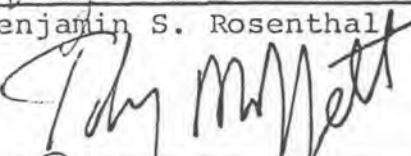
WASHINGTON, D.C. 20540
U.S. DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

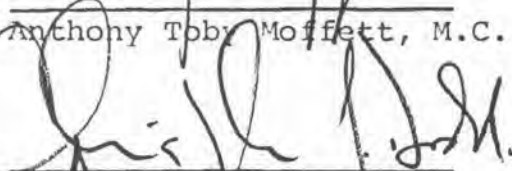
Honorable James Earl Carter, Jr.
Page Two

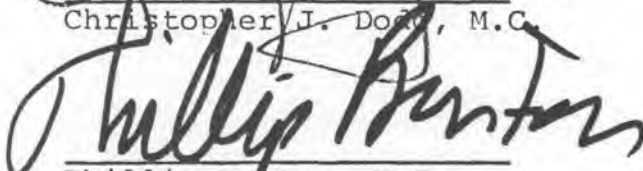
A similar letter is being sent to Mr. Dixon to urge him to resign. Only Mr. Dixon's removal or resignation, we feel, can correct the injustice to Mr. Nader and others of similar heritage, and clear the black mark on the Federal Trade Commission.

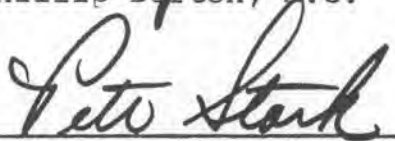
Sincerely,

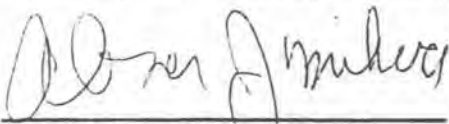

Benjamin S. Rosenthal, M.C.

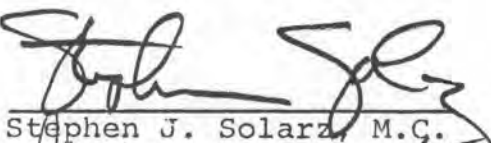

Anthony Toby Moffett, M.C.

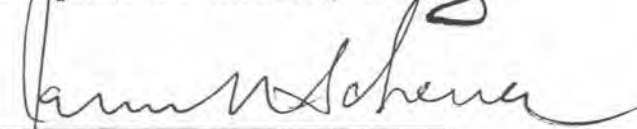

Christopher J. Dodd, M.C.

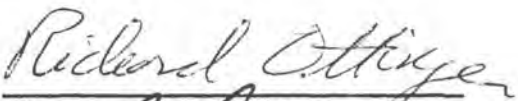

Phillip Burton, M.C.

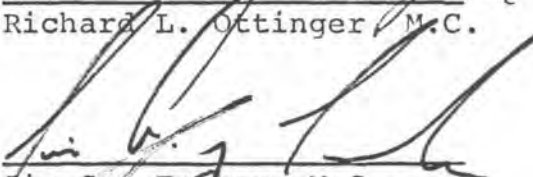

Fortney H. (Pete) Stark, M.C.

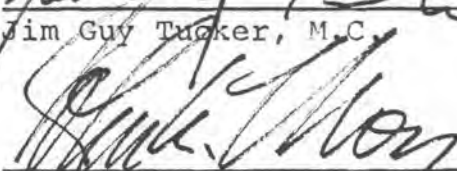

Abner J. Mikva, M.C.

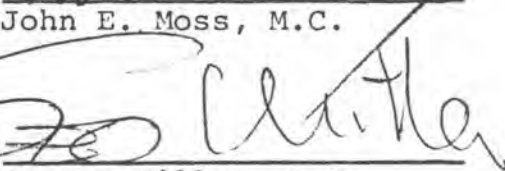

Stephen J. Solarz, M.C.


James H. Scheuer, M.C.

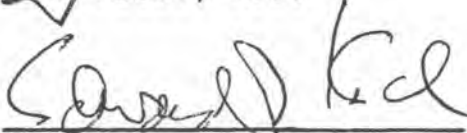

Richard L. Ottinger, M.C.



Jim Guy Tucker, M.C.


John E. Moss, M.C.


George Miller, M.C.


John Krebs, M.C.


Edward I. Koch, M.C.


William Lehman, M.C.


Patricia Schroeder, M.C.

THE WHITE HOUSE
WASHINGTON

February 4, 1977

Frank Moore

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Hamilton Jordan

Congressional Mail

MEMORANDUM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

Q
/

2/3/77

TO: The President

FROM: Frank Moore *F.M.*

CC: Hamilton Jordan

Attached is today's summary of the Congressional
Mail to The President.

MAIL SUMMARY 2/3/77
PAGE -1-

CONGRESSIONAL MAIL TO THE PRESIDENT

<u>FROM</u>	<u>SUBJECT</u>	<u>DISPOSITION</u>	<u>COMMENTS</u>	<u>SIGNATURE</u>
Rep. Morgan Murphy	Recommends Louis A. Lerner, Publisher of Lerner Home Newspapers for United States Ambassador to Denmark	ack/JK	<i>Early Supporter</i>	
Rep. Lester L. Wolff	Adds his strong endorsement to that of New York Congressional Delegation for Carl McCarden as Administrator of Veterans Administration	ack/JK		
Rep. Jim Weaver	Encloses correspondence from Director and students of the Pearl Buck Center (for retar- ded children)	GC		
Rep. Dante B. Fascell	Endorses Ira A. Hotchkiss for appt. as a special adviser	ack/JK		
Rep. Herman Badillo	Endorses appointment of Eleanor Holmes Norton to head the Equal Employment Opportunities Commission	ack/JK		
Sen. Robert Morgan	Endorses appointment of Voit Gil- more to Council on Environmental Quality	ack/JK		
Rep. Ike An- drews	Endorses Robert W. Scott, for- mer Governor of North Carolina	ack/JK	<i>ok for good job</i>	

MAIL SUMMARY

2/3/77

CONGRESSIONAL MAIL TO THE PRESIDENT

PAGE

-2-

<u>FROM</u>	<u>SUBJECT</u>	<u>DISPOSITION</u>	<u>COMMENTS</u>	<u>SIGNATURE</u>
Rep. Thomas Downey	Endorses Edward H. Richard for Admin. of SBA	ack/JK		
Del. Antonio B. Won Pat	Endorses Franklin D. Lopez for Spec. Asst. to Pres. for Territ. Affairs, a post whose creation Del. Won Pat recommended	ack/JK		
Rep. Thomas L. Ashley	Endorses Frank Smith's re-appointment to TVA	ack/JK		
Rep. Louis Stokes	Endorses David Whitehead for Nat'l Advisory Coun. of SBA or SBA Advisory Comm. to IRS	ack/JK		
Rep. Louis Stokes	Endorses Thomas S. Watson, Jr., for Pres. Commsn. on W.H. Fellowships and Sm. Bus. Invest. Co. Nat'l Advisory Council	ack/JK		
Rep. Louis Stokes	Endorses Robert Rice, C.P.A., for Cleve. Dist. Advisory Comm. of SBA and/or Advis. Coun. for Minority Enterprs. of Dept. of Commerce	ack/JK		
Rep. Parren J. Mitchell	Endorses Dr. Karl Gregory for appt. to Civ. Rts. Commsn. and/or Nat'l. Commsn. for Manpower Policy	ack/JK		

MAIL SUMMARY 2/3/77

CONGRESSIONAL MAIL TO THE PRESIDENT

PAGE -3-

<u>FROM</u>	<u>SUBJECT</u>	<u>DISPOSITION</u>	<u>COMMENTS</u>	<u>SIGNATURE</u>
Sen. Lloyd Bentsen	Endorses Cristobal Pl Aldrete as Fed. Co-Chmn. of S.W. Border Econ. Region	ack/JK		
Sen. Robert Morgan	Endorses Alvis Carver for the Bd. of Governors of the Postal Service	ack/JK		
Rep. John Brademas	Endorses James H. Billington for Chmn. of Nat'l Endowment for Humanities	ack/JK		
Sen. William Hathaway	Endorsing Dr. Albert Mavrinac for Chmn. of the Nat'l Endowment for the Humanitites	ack/JK		
Rep. Herbert Harris	Forwards resume of Peter S. Accolla for Ambassador to the Vatican	ack/JK		
Rep. James Johnson	Forwards letter from Robert Boucher recommending Robert Cameron for HUD Regional Dir. for Region 8	ack/JK		
Rep. Thad Cochran	Endorsing Bill Dendy for Admin. of EPA	ack/JK		
Rep. Thomas Downey	Endorses Gerald Zipper for Fed. Insur. Admin.	ack/JK		
Rep. John Anderson	Endorsing Hon. Burt Talcott for Fed. Elect. Comm. vacancy	ack/JK		

MAIL SUMMARY 2/3/77

CONGRESSIONAL MAIL TO THE PRESIDENT

PAGE

-4-

<u>FROM</u>	<u>SUBJECT</u>	<u>DISPOSITION</u>	<u>COMMENTS</u>	<u>SIGNATURE</u>
Rep. Edward Roybal	Recommending Edward Avila for Admin. of Alch., Drug Abuse, & Ment. Health Admin., <u>and Dir. of CSA</u>	ack/JK		
Rep. John J. Rhodes	Recommending Eugene F. Suarez, Sr., for Commisr. of U.S. Parole Commsn.	ack/JK		
Rep. Geo. Mahon Rep. Omar Burleson Rep. Jim Wright Rep. Jim Mattox Rep. Bob Gammage Rep. Kika de la Garza Rep. Ray Roberts Rep. W.R. Poage Rep. Dale Milford Rep. Sam Hall, Jr. Rep. Barbara Jordan Rep. Henry Gonzalez Rep. Richard White Rep. Abraham Kazen, Jr. Rep. J.J. Pickle Rep. Jack Brooks Rep. Robert Krueger Rep. Bob Eckhardt Rep. John Young Rep. Olin Teague Rep. Jack Hightower	These members of the Texas Con- gressional all endorse Bob Casey Chmn. of Fed. Maritime Commsn.	FM		

MAIL SUMMARY 2/3/77

CONGRESSIONAL MAIL TO THE PRESIDENT

PAGE -5-

<u>FROM</u>	<u>SUBJECT</u>	<u>DISPOSITION</u>	<u>COMMENTS</u>	<u>SIGNATURE</u>
Congressmen Rosenthal, Moffett, Dodd, Burton, Stark, Mikva, Solarz, Scheuer, Ottinger, Tucker, Moss, Miller, Krebs, Koch, Lehman, Schroeder	Urge removal of FTC Commissioner Dixon because of remarks he has made about Ralph Nader.	ack/Presi- dent		X
Senators McGovern, Abourezk, Humphrey, Curtis; Congress- men Pressler, Abdnor	Request that the Bureau of Indian Affairs prepare a new budget for support of schools on or near reservations because of their lack of a sufficient tax base.	ack-FM/Int.		
Congressmen Mann, Broyhill, Richmond, Pickle, Sisk, Nichols, Rinaldo, Burke, Simon, McDade	They are the steering committee of an informal House Textile Committee and include a list of requested actions to alleviate the textile trade deficit.	ack-FM/Comm.		
Rep. Leo Ryan (cc to Vance)	Sends his brief on NATO, which he believes contradicts Sens. Nunn and Bartlett's report of a need for increased NATO forces in Europe.	ack/ZB		X
Rep. Ottinger	"delighted to help in any way" on reorganization.	FM ✓		
Rep. Stephen Neal (cc of letter to FM)	Recommends Robert Scott (former Gov. of North Carolina) for Co- Chairman of Appalachian Regional Council.	ack/JK	<i>Ham - Commerce? Ambus? etc.</i>	

MAIL SUMMARY 2/3/77

CONGRESSIONAL MAIL TO THE PRESIDENT

PAGE -6-

<u>FROM</u>	<u>SUBJECT</u>	<u>DISPOSITION</u>	<u>COMMENTS</u>	<u>SIGNATURE</u>
Rep. Bingham	Has introduced resolution for a bust of Martin Luther King to be placed in the Capitol (there currently is no bust or statue of any black). Would like you to express support to the leadership.	ack/FM	<i>to me</i>	X
Rep. Cavanaugh	Expresses "grave doubts" about granting the same reorganization authority as in 1969. Wants greater role of Congress.	FM		
Rep. Schulze	Wants restriction on mushroom imports.	ack/Comm.		X
Rep. Schulze	Praises your remarks about small businessmen trying to meet increasing regulations; sends constituent letter.	ack/SE		X
Rep. Del Clawson	Would like you to issue a proclamation making Thanksgiving week "Family Week".	ack/FM		X
Rep. Wm. Cotter	Supported emergency natural gas bill, but believe allocation authority is unfair to those communities which have planned ahead and built up reserves.	ack/SE		X

MAIL SUMMARY 2/3/77

CONGRESSIONAL MAIL TO THE PRESIDENT

PAGE -7-

<u>FROM</u>	<u>SUBJECT</u>	<u>DISPOSITION</u>	<u>COMMENTS</u>	<u>SIGNATURE</u>
Sens. Long, Johnston; Reps. Waggoner, Breaux, Long, Treen, Boggs, Moore, Huckaby, Tonry	Want federal relief for dairymen and cattlement in Louisiana, as Gov. Edwards has requested, be- cause of drought.	JW		
Rep. Bill Moorhead	Wants Community Services Admin- istration fund increase to benefit senior citizens hard-hit by fuel crisis.	JW		
Rep. Carl Pursell	Would like help for Viet vets and increased efforts on MIA's in conjunction with pardon; includes articles, proposed floor remarks.	ack/SE		X
Sens. Williams, Javits; Rep. Koch (cc to Bell)	Introducing federal marijuana decriminalization bill "as a starting point for discussion".	ack/SE		X
Rep. Chas. Grassley	Against proposed Congressional/ executive pay increase.	ack/SE		
Sen. Griffin, Rep. Ruppe	Want Michigan withdrawn by Defense for consideration as site for "Project Seafarer".	ack/Def.		
Rep. Henson Moore	Supports Gov. Edwards' request for disaster relief for drought- stricken cattlement in Louisiana.	JW		

MAIL SUMMARY 2/3/77

CONGRESSIONAL MAIL TO THE PRESIDENT

PAGE -8-

<u>FROM</u>	<u>SUBJECT</u>	<u>DISPOSITION</u>	<u>COMMENTS</u>	<u>SIGNATURE</u>
Rep. John Moss	Commerce Subcommittee on Oversight wants help in obtaining subpoenaed FBI papers in ATT investigation.	ack/Justice		X
Sens. Schweiker, Heinz; Reps. Flood, Dent, McDade, Nix, Coughlin	As Pennsylvania Delegation Steering Committee, request restrictions on mushroom imports.	ack-FM/Comm.		
Sens. Bellmon, Tower, Domenici, Haskell, Bentsen, Bartlett, Hart, Dole, Zorinsky, Schmitt, Pearson, Curtis	Want increase in budget for a "High Plains regional natural resource" study.	ack-FM/Comm.		
Rep. Wm. Clay	Writes on behalf of constituents who do not want the status of their MIA son changed to "presumed dead" as suggested by the Select Committee on Missing Persons.	RL		
Reps. Spellman, Steers, Fisher, Fauntroy, Harris	Send copy of Penn. Ave. Development Plan and urge your support of it.	ack/SE		X
Rep. Schroeder	Forwards constituent letter on energy crisis.	GC		
Rep. Van Deerlin	Request for birthday greeting.	BB		
Sen. Nelson	Forward package from Bayfield, Wis. Chamber of Commerce.	TK		

MAIL SUMMARY 2/3/77

CONGRESSIONAL MAIL TO THE PRESIDENT

PAGE

-9-

<u>FROM</u>	<u>SUBJECT</u>	<u>DISPOSITION</u>	<u>COMMENTS</u>	<u>SIGNATURE</u>
Sen. Mark Hatfield	Praises your remarks at the Prayer Breakfast.	N/A		
Rep. Ike Andrews	Forwards clipping and requests letter to constituent.	GC		
Rep. Wm. Ketchum	Birthday greetings request.	BB		
Sen. Schweiker	Newsletter.	N/A		
Rep. Nick Rahall	Thanks for Congressional reception.	N/A		
Sen. Claiborne Pell	Endorses appointment of Warnke.	FM/HJ		
Sen. Robt. Morgan	Invitation on behalf of constituent.	TK		
Sen. Sparkman.	Invitation on behalf of constituent.	TK		
Rep. Gudger	Invitation on behalf of constituent.	TK		
Rep. Badillo	Requests appointment for Hispanic Caucus.	TK		
Rep. Bo Ginn	Requests appointment on behalf of constituents.	TK		
Sen. Lawton Chiles	Forwards letter of Mayor of Clearwater, Fla. accepting invitation to Prayer Breakfast on behalf of two representatives of city's young peopls.	TK		
Rep. Buchanan	Invitation on behalf of constituent.	TK		

MAIL SUMMARY 2/3/77

CONGRESSIONAL MAIL TO THE PRESIDENT

PAGE -10-

<u>FROM</u>	<u>SUBJECT</u>	<u>DISPOSITION</u>	<u>COMMENTS</u>	<u>SIGNATURE</u>
Sen. Sparkman	Invitation on behalf of constituent.	TK		
Rep. Jack Edwards	Forwards constituent letter issuing invitation.	TK		
Sen. Mathias	Requests birthday greeting.	BB		
Rep. Cavanaugh	Thanks for sympathy message.	N/A		
Rep. Fountain	Forwards letter from constituents who wish to be invited to White House square dances.	TK		

THE WHITE HOUSE
WASHINGTON

February 4, 1977

Frank Moore -

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

Letter from Ron Marlenee

MEMORANDUM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

*How was
this answered?
J*

2/4/77

TO: The President

FROM: Frank Moore *fm*

Here is a letter from a previous Summary of Congressional Mail to The President that you requested.

RON MARLENEE

CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515

January 25, 1977

F.M.
Hon. Jimmy Carter
The President
The White House
Washington, D.C. 20500

Dear Mr. President:

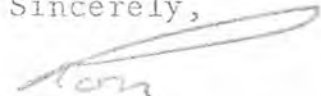
It has been rumored that Mrs. Carol Foreman is under consideration for the nomination of Assistant Secretary of Agriculture for Marketing and Consumer Services. I am writing to let you know that I strongly oppose her nomination.

As a person who has been actively involved in agriculture all of my life I cannot believe intelligent decisions could be made for agriculture by a person who has never known, firsthand, the problems of agricultural production.

Considering the condition agriculture is in today, it is imperative we have a person in this position who has a keen understanding of the problems confronting agriculture and sympathetic to its needs. Today more than ever, agriculture needs strong, active voices willing to argue for the rancher-farmer. There are many very capable and experienced men and women who could provide such a voice in this position as Assistant Secretary of Agriculture.

It is my hope that your choice is someone directly from the ranks of agriculture--someone other than Mrs. Foreman.

Sincerely,



RON MARLENEE
RM/mo

THE WHITE HOUSE
WASHINGTON

February 4, 1977

The attached is forwarded to
you for your information.

Bert Lance
Hamilton Jordan

Rick Hutcheson

Jack Eckerd - SSA

THE WHITE HOUSE

WASHINGTON

2-4-77

To Jack Eckerd

I would like for you
to stay on as director of
GSA. Bert Lance & Ham
Jordan will consult with
you on prospective internal
organizational changes. My
understanding is that you
will be able to continue
with this work for at least
a year.

Jimmy C.

cc: Bert
Ham

THE WHITE HOUSE
WASHINGTON

February 4, 1977

Greg Schneiders

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

Jack Eckerd-GSA

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE
WASHINGTON

February 3, 1977

*Greg -
I told Lance
& Eckerd to
let me know what
to do
J*

MEMORANDUM FOR: The President
FROM: Greg Schneiders *GS*
SUBJECT: Appointment with Jack Eckerd, GSA
Friday, 1:30 p. m.

You are meeting with Jack Eckerd, the Administrator of GSA and Hamilton on Friday at 1:30 p. m. One program administered by GSA and of particular interest to us as part of the "People" project is the Federal Information Center system.

This program is potentially the single most effective vehicle available to us for two-way communication between the Federal Government and the people. If upgraded and promoted, it could be the Federal equivalent of the tie-line system you established in Georgia.

Although it is now neglected, underfunded and dormant it is a structure in place, serving 55% of the Nation's population and ready to be expanded upon. I have attached more material for your information.

It would be very helpful if you would mention your personal interest in this system to Mr. Eckerd. I am meeting with him immediately after your session to discuss initiating a study of the program and its potential.

cc: Hamilton Jordan
Rick Hutcheson

THE FEDERAL INFORMATION CENTER PROGRAM

The mission of the Federal Information Center (FIC) program is to provide a single contact for persons who have questions about their Federal Government. It is a citizen assistance network which provides in-depth advice, guidance and information on Federal agencies, programs and responsibilities. Additionally, centers are equipped to provide information on programs of state and local governments.

- President Johnson in his desire for better service to the public caused the FIC concept to be developed in November 1965.
- First center opened in Atlanta, Georgia, in July, 1966.
- FICs expanded to eight more metropolitan areas by 1969.
- President Nixon directed accelerated expansion in 1969.
- "Tieline" concept (toll-free telephone service linking additional metropolitan areas to existing centers) developed during this time.
- During fiscal 1977 we will add one more FIC and six more tieline cities.
- About 55-60 percent of the population will have free and direct access to the centers.
- Number of inquiries annually is estimated at 7,000,000.
- Budget for fiscal 77 is \$2.86 million, equally distributed (\$165,000) between the 17 funding Federal agencies.
- Now there are 37 FICs and 40 cities connected by tielines.

(See Attachments)

**Business Service Center
Federal Information Center and Tie-Line City Locations**

Legend:

- Federal Information Center
- Tie-Line City
- Business Service Center and Federal Information Center

Scale: 0 25 50 100 200 300 MILES

Regions and Key Cities:

- Region 1:** New England (Boston, New York, Philadelphia, etc.)
- Region 2:** Northeast (New York, Philadelphia, etc.)
- Region 3:** Mid-Atlantic (Washington, Baltimore, etc.)
- Region 4:** Southeast (Atlanta, Miami, etc.)
- Region 5:** Great Lakes (Chicago, Detroit, etc.)
- Region 6:** Midwest (St. Louis, Kansas City, etc.)
- Region 7:** South Central (Fort Worth, Houston, etc.)
- Region 8:** Mountain West (Denver, Salt Lake City, etc.)
- Region 9:** Southwest (Phoenix, San Diego, etc.)
- Region 10:** West Coast (San Francisco, Los Angeles, etc.)

This play is also available showing Celine

[illegible]

4585

(The Federal Information Center Program established by Executive Order in 1965 is funded by contributions from 17 Agencies.)

	<u>Budget</u>	
FY 67	\$ 23,000	
FY 68	229,500	15 agencies @ \$ 15,300
FY 69	432,000	15 agencies @ \$ 28,800
FY 70	656,000	16 agencies @ \$ 41,000
FY 71	848,000	16 agencies @ \$ 53,000
FY 72	1,168,000	16 agencies @ \$ 73,000
FY 73	1,408,000	16 agencies @ \$ 88,000
FY 74	1,680,000	16 agencies @ \$105,000
FY 75	2,500,000	17 agencies @ \$145,000
FY 76	2,800,000	17 agencies @ \$160,000
FY 77	2,860,000	17 agencies @ \$165,000

FY 77 Breakdown:

Personnel	--	79.1%
Travel	--	1.2%
Communications	--	7.5%
Other All Other	--	12.2%
		<u>100.0%</u>

FY 77, average annual operating costs per FIC -- \$77,300

AGENCIES FINANCING THE FEDERAL INFORMATION CENTER PROGRAM

Department of Agriculture
Department of Commerce
Department of Defense
Department of Health, Education and Welfare
Department of Housing and Urban Development
Department of Interior
Department of Justice
Department of Labor
Department of State
Department of Treasury
Department of Transportation
Civil Service Commission
National Aeronautics and Space Administration
Veterans Administration
Small Business Administration
General Services Administration
Environmental Protection Agency

THE WHITE HOUSE
WASHINGTON

February 4, 1977

Bert Lance
Jack Eckerd

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Greg Schneiders

*Federal Information
Center*

THE WHITE HOUSE
WASHINGTON

2-4-77

To Lance re Federal
Eckerd Information
Center

Let me know how I
can use this existing
system effectively.

J.C.

cc Schneiders

Federal Information Center

—
LANCE
Eckerd (~~he met~~
~~at TC today~~)
(GSA Administrator)
Schneiders



General Services Administration
Washington, DC 20405

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

MEETING WITH BLACK ELECTED OFFICIALS

Friday, February 4, 1977

9:00 a.m. (20 minutes)

The Cabinet Room

From: Bunny Mitchell *BM*

I. PURPOSE

1. On-going communications between the President and representatives of the black community.
2. Black appointments -- to date; future.
3. Economic issues:
 - . Full employment.
 - . Economic stimulus package.
 - . Minority "set aside" program -- federal agencies or executive departments. (Former DOT Secretary - Bill Coleman - established a policy of a certain percentage of departmental contracts for minority businesses.)

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

- A. Background: Mayor Richard Hatcher, Congressman Parren Mitchell, and Delores Tucker were members of the Campaign Advisory Committee on Black Affairs established during the Democratic Convention, July, 1976. As the new Chair of the Congressional Black Caucus, Congressman Parren Mitchell replaces Yvonne Burke in this meeting. I talked to Coleman Young who will not be present. Of primary concern to this group is Presidential interest in maintaining this committee (probably as currently constituted).
- B. Participants: The President
Parren Mitchell, Chair, Congressional Black Caucus
George Brown, Chair, DNC Black Caucus
Basil Patterson, Former Vice-Chairman, DNC
C. Delores Tucker, Member, Campaign Advisory Committee - Black Affairs
Richard Hatcher, Mayor, Gary, Indiana
Bunny Mitchell, Presidential Staff

- C. Press Plan: Brief photo session at the beginning of the meeting.

III. TALKING POINTS.

1. White House staff's role to keep the President informed on regular basis; Coleman Young will be working at DNC with party officials.
2. Appointments are still being made. (Attached is available listing to date at TAB A.)
3. Stu Eizenstat will be available at 10:00 a.m. to meet with group on issues.

Communication - Plains

Appointments

Domestic Council

THE WHITE HOUSE
WASHINGTON

2/4/77

Stu Eizenstat -

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

Attachment:

Briefing Paper Meeting with
UAW & Auto Companies

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

February 3, 1977

MEETING WITH UAW & AUTO COMPANIES

Friday, February 4, 1977
4:30 p.m. (30 minutes)
The Cabinet Room

From: Stu Eizenstat
Kitty Schirmer

I. PURPOSE

To discuss the auto emissions standards with the United Auto Workers and the four domestic auto manufacturers. You should know that Leonard Woodcock's objective in this meeting -- which differs considerably from ours -- is to try to force agreement between the union and the four companies on an auto emission schedule. This is discussed in more detail in the Background section of this memo.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

- A. Background: Senator Muskie begins hearings on the Clean Air Act on February 9 and wants to move this legislation quickly. The UAW and the companies will testify on the 9th, and the UAW would like to have a unified position. The House will address the Clean Air Act on a similar schedule.

Everyone agrees that relief from the 1978 model year statutory emission standards is essential. Major disagreement occurs over what to do in model year 1979 and beyond. During the campaign you criticized the auto industry for foot dragging, and stated that the manufacturers should be required to meet the statutory standards just as soon as engineering lead times allow. A table comparing emissions schedules for California, Senator Muskie's proposal, Congressman Dingell's proposal (industry's last year), and the UAW proposal is attached as Tab A.

The major UAW and industry arguments against forcing these standards at the fastest possible pace are:

- a rapid reduction in auto emissions will decrease fuel efficiency between 5 and 10% (Chrysler says even more) and will add \$150+ to the purchase price.
- an auto price increase of this magnitude will reduce car sales and result in added unemployment.
- the standards now required for carbon monoxide (CO) and nitrogen oxides (NOx) are more stringent than is needed to meet overall air quality standards.
- the Muskie emission standards for 1979 will be difficult if not impossible to meet since the companies must begin certifying these cars with EPA in March and April of this year. Basic engineering decisions are close to being made.

It is not clear whether the auto companies are willing to agree with the schedule Woodcock proposes, either publically or privately. You retain considerably more flexibility politically if the union and the company disagree. Should it be determined that a move toward Woodcock's proposal is desirable, the Administration would not be spouting the "industry line".

We would strongly recommend that you not give any suggestion of your position on these issues during the meeting, nor intervene to encourage agreement between the union and the companies. The talking points listed below indicate your concern about the possible employment and fuel efficiency tradeoffs involved in this issue, restate your campaign commitment that the standards be tough, and indicate the need to make the decision on the merits.

Leonard Woodcock's letter to you on this meeting is attached as Tab B.

Lambda - send

B. Participants:

Henry Ford

Herbert L. Misch, Vice President for Environmental
and Safety Engineering, Ford Motor Co.

Thomas Murphy, President, General Motors

Roger B. Smith, Executive Vice President

John Riccardo, President, Chrysler

(have not submitted an additional name)

William V. Luneburg, President, American Motors

Frederick A. Stewart, Vice President for Government

Leonard Woodcock, United Auto Workers

Dean David Ragone, University of Michigan

Secretary of Transportation Brock Adams

Assistant to the President for Energy, James Schlesinger

Stu Eizenstat

Kitty Schirmer

C. Press Plan: Brief photo session at the beginning
of the meeting.

III. TALKING POINTS

1. My purpose here today is to listen and learn. As I have already told Senator Muskie and Congressman Rogers, I have not yet arrived at a decision on the auto emissions issue. The members of my Cabinet, and my EPA Administrator will be working with me to develop our position over the coming weeks.
2. This is an enormously complex and important issue. I am concerned about the fuel economy and employment trade-offs which Leonard Woodcock mentions in his letter to me. On the other hand, I am firmly committed to achieving our air quality goals. During the campaign I stated that I would favor a program requiring that the statutory emission schedule be met by your industry just as soon

Solidarity House

8000 EAST JEFFERSON AVE.
DETROIT, MICHIGAN 48214
PHONE (313) 926-5000



INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA-UAW

LEONARD WOODCOCK, PRESIDENT

EMIL MAZEY, SECRETARY-TREASURER

VICE-PRESIDENTS

PAT GREATHOUSE • KEN BANNON • DOUGLAS A. FRASER • DENNIS McDERMOTT • IRVING BLUESTONE • ODESSA KOMER • MARC STEPP

February 3, 1977

The President
The White House
Washington, DC 20500

Dear Mr. President:

Adoption of revised automobile emission standards is an urgent requirement.

There is widespread agreement that the law presently in effect imposes requirements, for 1978 and subsequent model years, which are unnecessary and infeasible. The 94th Congress clearly agreed with that conclusion -- alternative requirements were approved by the Senate, the House, and the Conference Committee -- even though no proposed revision received final approval.

It is important to remember that the 94th Congress did enact mandatory fuel efficiency standards which first become applicable for 1978 model autos. The UAW fully supported that legislation (although we expressed reservations about the 1985 target of 27.5 mpg), and pointed out that our concern about the emission standards was based primarily on the need for increased fuel efficiency. There is a trade-off between increases in fuel efficiency and decreases in emissions. That should not override the concern for public health, but any unnecessary margins of safety in the emission standards should be eliminated.

While each of the auto emission bills approved last year by the Senate, the House, and the Conference Committee provided the same standards for 1978 models, there was lack of agreement with respect to subsequent requirements. Rapid action is needed to resolve the questions regarding future standards, or auto production will be severely disrupted

The President
The White House

-2-

with widespread economic impact. Production of 1978 models is expected to begin this summer; the industry's only realistic option has been to assume that the applicable standards will be those agreed upon last year. Engineering decisions, certification procedures, and other long lead time actions must be taken quite soon with respect to 1979 models. Equally important, preliminary manufacturing decisions must be made soon with respect to 1980 and later models.

The issues involved are very complex, with many uncertainties as to what can and should be done. Even the experts often disagree as to the specific effects of auto emissions on air quality, and as to the effects of air quality upon health. There have been unexpected developments, both favorable and unfavorable. Nevertheless, decisions must be made based on informed judgment. The UAW has been guided by the advice of Dean David V. Ragone*, a nationally recognized authority on automotive power systems and related matters. A paper by Dean Ragone is attached. In it he reviews developments that have occurred; in particular, he covers the three-way catalyst technology used by Volvo, new knowledge about the effect of carbon monoxide emissions, and emerging evidence regarding oxides of nitrogen. Therefore, Dean Ragone recommends the following schedule of standards to be enacted:

<u>Model Year</u>	<u>HC</u>	<u>CO</u>	<u>NO_x</u>
1978-79	1.5	15	2.0
1980-81	0.41	9	2.0
1982 & later	0.41	9	1.0#

#EPA could increase up to 2.0 if air quality permits. Also EPA is to formulate program of waivers, up to 2.0, for innovative engines -- such as diesels -- that can produce fuel economy at least 25 percent higher than comparable vehicles; 0.4 NO_x would be a research objective.

While that proposed schedule differs from those considered by Congress last year, we believe it reflects the most recent information available and is a responsible basis to resolve the disputes about those schedules. It is not put forth as a bargaining position intended to achieve

*Dean of the College of Engineering, The University of Michigan

The President
The White House

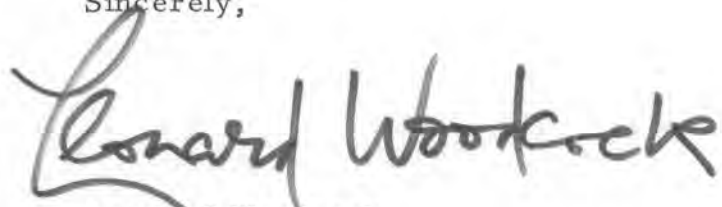
-3-

some other objective. Dean Ragone and I share the view that it is best to propose a schedule which will be consistent with health requirements, facilitate achievement of fuel efficiency goals, and impose demanding but attainable production innovations. We believe the schedule described will do that, and we recommend its rapid enactment.

It has been pointed out by others, but is worth repeating here, that the average level of emissions from all cars in use, not just those of new cars, is the significant factor. Since the standards proposed are considerably lower than those of cars already in use, there will continue to be a reduction in the average emission level as old cars are replaced with new ones. In fact, during the next several years, air quality (and fuel efficiency) will be affected more by getting new cars on the road in place of old ones, than by imposing overly restrictive new production standards.


Therefore I urge that prompt action be taken on the changes recommended, so that the auto industry will have a clear mandate regarding future production.

Sincerely,

A handwritten signature in dark ink, reading "Leonard Woodcock". The signature is fluid and cursive, with the first name "Leonard" written in a larger, more prominent script than the last name "Woodcock".

Leonard Woodcock
President

LW:hyc
opeiu494
attachment

Memo To: Leonard Woodcock
From: David V. Ragone 
Date: February 1, 1977
Subject: Auto Emission Standards 1978 and Beyond

In March of 1975 I sent you a note in which I discussed the relationship between auto emissions and fuel consumption and then went on to suggest some emission standards for the period 1977-81. Recent developments in commercially available technology and in the current status of automobile regulation call for an update of that memo.

Since March 1975 Volvo has successfully demonstrated an emission control system that has enabled a four cylinder mid-sized car to meet the stringent statutory emission control standards set forth in the 1970 Clean Air Amendments, apparently without the loss of fuel economy. Their car met the standard using the California test procedure which is only slightly less rigorous than the Federal test procedure. Also since March 1975 Congress has enacted fuel economy legislation and discussed several bills to delay the imposition of the statutory emission levels (0.41 HC, 3.4 CO, 0.4 NO_x) beyond 1978. A bill was passed in the House and another in the Senate. A Conference Committee agreed to a compromise bill, but no bill obtained final approval. In all three versions of the bill the standards in effect in 1977 (1.5 HC, 15 CO, 2.0 NO_x) were to be continued through 1978. The auto manufacturers have planned the 1978 model production based on these continued 1977 standards.

February 1, 1977

Volvo Demonstration

During the summer of 1976 Volvo qualified a car to meet the 1978 California standards (0.41 HC, 9.0 CO, 1.5 NO_x). This model was equipped with an advanced emission control system that has been discussed for a number of years, but never been demonstrated. This system, called Lambda-sond, enabled the car to meet the Federal statutory standard (0.41 HC, 3.4 CO, 0.4 NO_x) using the California test procedure. This striking demonstration has tempted some to recommend the adoption nationally of the statutory standards in 1979 despite the limitations of the demonstration, which Volvo recognized.

In the Lambda-sond system the exhaust emissions are passed over a "three-way" catalyst which enables the unburned hydrocarbons (HC) and carbon monoxide (CO) to react with the oxides of nitrogen (NO_x) in the engine exhaust and thereby eliminates all three. The system, of course, requires a very accurate control of the emissions from the engine so that the amount of HC and CO in the exhaust will just balance chemically the amount of NO_x. This requires the control of the ratio of fuel to air over a wide range of operating conditions. The control is achieved by measuring the chemical composition* of the engine exhaust with a sensor and by feeding the information from the sensor back to the fuel control mechanism (fuel injectors in the Volvo case) in order to correct any imbalance. Very accurate control of the fuel/air mixture is required which means that the sensor must remain accurate for the life of the car. In addition, the special, three-way catalyst must retain its activity.

*Strictly the sensor determines the oxygen potential of the exhaust and does not measure the total composition.

February 1, 1977

The enormous potential of the three-way catalyst system has been recognized for a number of years, but until last year no one was confident enough to accept the risk involved in a commercial demonstration. Volvo did so.

But even Volvo recognized the limitations of the demonstration. In order to complete the 50,000 mile test, the demonstrated system required a change of exhaust gas sensors every 15,000 miles because the presently available sensors degrade. If a sensor becomes ineffective emissions go out of control, but the driver does not really notice a change in vehicle performance. There is no real penalty to the driver for operating with a bad sensor.

The engine used in the Volvo demonstration was an in-line, four cylinder engine equipped with fuel injection. An in-line engine needs only one sensor in the exhaust. A "V" engine needs two sensors, one in each bank, and requires that the two be balanced. To date the use of the Lambda-sond system in a V-6 engine has not produced results good enough to meet the statutory standards. The problem is more difficult if carburetor-equipped engines are used.

Volvo used a high loading of rhodium, which is the reduction portion of the three-way catalyst, to insure good performance; and rhodium is scarce. Volvo will only produce about 9000 cars for California in 1978. If the total U.S. auto production used the Lambda-sond system with high rhodium loadings there would be a serious question of rhodium supply.

There is some question concerning the fuel economy of cars equipped with the Lambda-sond control system. Data available from EPA testing indicates that the Lambda-sond equipped Volvo car that

February 1, 1977

met the Federal statutory standards (0.41 HC, 3.4 CO, 0.4 NO_x) had slightly better fuel economy...21 mpg...than the identical vehicle equipped with older catalyst technology...20 mpg. But it has been argued, and with some merit, that the Volvo with the older catalyst had been designed very conservatively in order to assure compliance with California emission requirements and could actually have been designed for fuel economy in excess of the 20 mpg it achieved.

In spite of all these reservations and qualifications concerning the Volvo demonstration, the state-of-the-art has actually been improved concerning the three-way catalyst. The system is closer to wide-spread commercial realization than was apparent in March of 1975.

In consideration of this demonstration and of the current status of Federal fuel economy regulations, I believe that new emission regulations should be enacted as follows:

Year	HC	CO	NO _x
1978	1.5	15	2.0
1979	1.5	15	2.0
1980	.41	9	2.0
1981	.41	9	2.0
1982 and beyond	.41	9	1.0*

My reasons for recommending these standards are as follows:

* With EPA administrative discretion to raise this to 2.0 should air quality permit.

February 1, 1977

The Years 1978-79

It is essentially impossible for auto manufacturers to meet the statutory standards for 1978 models. Based on what seemed to be a Congressional consensus in 1976, production facilities have been planned based on the current 1977 model standards. It is unreasonable to think that statutory standards can be met for the 1978 models.

The decision concerning standards for 1979 models must be made very soon, before March or April, in order to allow motor vehicle manufacturers to prepare production facilities. If we are to approach lower emission levels and maintain good fuel economy in the future, then manufacturers ought to be given the opportunity to use the three-way catalyst system. This system requires extensive testing in order to insure reliability. Accordingly, I suggest that the standards for 1979 remain at the 1977 levels (1.5, 15, 2) in order to allow time for manufacturers to test and perfect reliable and more effective control systems for 1980 and beyond. I note that in addition to the Volvo cars to be sold in California two U.S. manufacturers have stated that they will put some three-way catalyst cars in customer hands in 1978 and in 1979.

It makes little sense to propose a one-year change between the proposed 1978 limits (1.5, 15, 2.0) and the proposed 1980 limits (.41, 9, 2.0). Little would be gained in terms of air quality and the manufacturers would be required to produce yet another system nationally...for just one year.

Standards Beyond 1979

It is reasonable to expect automobile manufacturers to produce substantial numbers of cleaner vehicles for the model years 1980 and beyond.

February 1, 1977

More reliable Lambda-sond technology should become available. I have recommended standards for hydrocarbons, carbon monoxide, oxides of nitrogen based on my understanding of the air quality needs of the nation.

Hydrocarbons (HC)

It is increasingly evident that unburned hydrocarbon emissions are strongly implicated in oxidant (smog) formation. The control of hydrocarbons to the statutory level, .41 grams per mile, is justified especially in those areas where oxidant concentrations rise above minimum air quality limit. Many cities in the country now experience this condition and, according to the recent 300 Day Study of the Department of Transportation*, many cities will continue to exceed oxidant limits through the 1990s--even if HC standards are set at 0.41 grams. This calls attention to the additional need to address the emissions for stationary sources.

While on this subject I should remark that the technique for measuring hydrocarbons should be modified by EPA to reflect only reactive hydrocarbons, the non-methane portions. It makes no sense to treat methane as a harmful emission. It does not take part in oxidant formation.

Carbon Monoxide (CO)

Extensive detailed calculations have been made** of the expected CO concentration in the U.S. cities for various assumed levels of CO emission control. It has been shown that air quality standards can be

* Air Quality, Noise & Health, Report of a Panel of the Interagency Task Force on Motor Vehicle Goals beyond 1980, U.S. Department of Transportation, Washington D.C., March 1976

** 300 Day Study

met throughout the country in 1990 and for a considerable period thereafter using an emission standard of 9 grams of carbon monoxide per mile, and that there would not be a significant rate of improvement between now and then based on lower emissions. The primary gains are to be realized by the replacement of older cars with newer, cleaner ones. Old, uncontrolled cars emit up to 80 grams of CO per mile.

I believe that a 9 gram per mile standard for CO in 1980 and beyond is acceptable, provided there is some assurance of compliance with this standard for vehicles in actual use. The EPA has recently called attention to the ease with which idle speed and mixture controls can be adjusted over a wide range. High CO levels at idle can result. Incidentally, tightening the CO standards to less than 9.0 would not cope with this problem.

The 9.0 emission limit for CO has an interesting interaction with fuel economy. Three-way catalyst cars have some difficulty meeting the 3.4 carbon monoxide standard, especially when they have small engines. During hard accelerations automobile engines require slightly richer mixtures, that is more fuel. This results in higher emissions of carbon monoxide from the engine and from the catalyst. This phenomenon is especially pronounced in small engines that are required to run at a higher fraction of their maximum power output during these accelerations. But it is the small engines that are being introduced in order to achieve better fuel economy. Accordingly, any standard tighter than 9.0 grams per mile would have an impact on the ability of automobile manufacturers to meet the fuel economy standards that have been imposed. And, from an air quality point of view the nation does not need a tighter standard.

February 1, 1977

Oxides of Nitrogen (NO_x)

The situation with regard to emission control standards for NO_x is both critical and confused. The situation is critical because fuel economy is strongly affected by NO_x control and confused because of the complexity of the chemistry of smog formation and the uncertainties of atmospheric dynamics.

Tighter controls on NO_x emissions will mean reduced fuel economy. The relationship is well established, but magnitude varies with the technology used. With the exhaust gas recirculation technique presently being used losses of about 15% in fuel economy result when emission levels are tightened from 2.0 to 1.0 grams NO_x /mile. Use of exhaust gas recirculation to reduce NO_x to 0.4 grams per mile would produce much higher reductions in fuel efficiency if it were possible to achieve the 0.4 level at all in production. Estimates as high as 25% and 35% have been made.

The new three-way catalyst technology demonstrated by Volvo does provide a more satisfactory alternative. The dependence of fuel economy on NO_x emissions is not as critical as with exhaust gas recirculation, but a relationship still exists. A demand for 1.0 as compared with 2.0 NO_x would probably cost at least 5 and perhaps 10% in fuel economy plus some additional hardware costs.

While the exact figures concerning fuel economy penalty vary with the manufacturer and with the specific technology used, it is clear that the control of oxides of nitrogen costs us something in terms of fuel economy. The situation is thus critical.

February 1, 1977

On the question of health effects, EPA has established air quality standards for one of the oxides of nitrogen (NO_2) and for photochemical oxidant (smog). Smog is generated over a period of hours by a complex set of chemical reactions between hydrocarbons and oxides of nitrogen. The control issues are complicated because the air chemistry is not understood in a fundamental sense, although many important measurements and observations have been made. Some are paradoxical. It is observed, for example, that lower NO_x additions to the atmosphere may actually cause a more rapid formation of smog under certain conditions, such as those prevalent in Los Angeles.

In addition to the chemical complexity there is also an uncertainty concerning the role of stationary sources of NO_x . Automobiles are clearly not the only contributors to this problem. The 300 Day Study shows that it would be more cost effective to address the question of controlling the stationary sources. But, this is only true if one assumes that the oxides of nitrogen from the stationary sources (tall stacks) mix with the oxides of nitrogen emitted from cars. This, of course, depends on whether the plume from tall stacks moves skyward or moves toward the ground. Different atmospheric and meteorological conditions yield different movements. There is, to date, no clear-cut accepted answer to this problem. But, in spite of all these uncertainties, emission limits must be set.

In setting NO_x emission standards, one must adequately protect public health without unduly sacrificing fuel economy. In my judgment it is adequate to continue the required level at 2.0 grams NO_x per mile for the years 1980 and 1981, and to plan for a level of 1.0

February 1, 1977

grams per mile in 1982 in order to insure commercially available technology if it is needed. I believe that the Administrator of EPA should be empowered to raise this 1.0 gram per mile level in 1982 to levels not to exceed 2.0 grams per mile based on future evidence concerning the air quality needs of the nation considering both oxidant and NO₂ standards. The Administrator should be asked to hold hearings on this subject at least two years before the 1.0 standard goes into effect.

To promote further technological progress, I suggest that the level 0.4 in the original statutory requirements be set as a research goal and be approached through demonstration vehicles.

I assume that the law will not limit the right of the Administrator of EPA to grant waivers for more stringent control of NO_x emissions in localities where it is required, such as California. California may, in consideration of the problem in the Los Angeles Basin, require NO_x control even lower than 1.0 grams per mile.

Innovative Engines

The development of fuel efficient engines is extremely important to our accepted national objective of petroleum conservation. Accordingly, I believe that the Administrator of EPA should be asked to formulate a program of waivers for new technology. It might be reasonable to suggest that a waiver from 1.0 NO_x up to a maximum of 2.0 NO_x be granted for innovative power trains that can produce fuel economy 25% higher than comparable vehicles, comparable vehicles being defined as vehicles of the same inertia-weight class powered by conventional, spark-ignited gasoline engines. Such a program should also recognize that some regions of the country have air quality problems that would preclude this waiver. But other portions of the nation may be able to save considerable amounts of fuel by taking advantage of newer technology.

as engineering lead times allow. I firmly believe these standards must be tough, that we not let up just for the sake of convenience here or there.

3. I hope that your discussion today will be frank and non-rhetorical. I am anxious to hear from you, both about problems the Congressional standards would impose, and about the technological improvements which are possible.
4. The decision which I make on this issue will be based on the merits after careful study and consultation with a variety of experts. I recognize that this issue has become emotional on all sides, but I intend to make sure that any resolution I may suggest to the Congress be fair and supported by the best possible information; and, I hope, the best possible performance from your industry.

THE PRESIDENT HAS SEEN.

February 4th, 5:15 p.m.

Mr. President

David Rubenstein came by and said that Senators Javits and Moynihan will be calling you, now that Midge has returned from her trip.

David said that tomorrow you should receive the report from FDA recommending that New York and a 9-county area around Buffalo be declared a disaster area due to snow...not for energy purposes. They apparently will recommend that Pennsylvania not be declared a disaster area.

-- SSC

Nell said that both the Senators called at 5:00 p.m. Javits was going out of town and said he'd call you later tonight; Moynihan said he might call later too. Do you want ~~you~~ their calls put through to the residence if/when they call?

ok
J

ELECTROSTATIC REPRODUCTION MADE FOR
PRESERVATION PURPOSES

Checked a per. law
they had the record.

THE WHITE HOUSE
WASHINGTON

February 4, 1977

Ham -

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Z. Brzezinski
Stu Eizenstat

*App'd Harry Huges -
General Advisory
Committee*

CC

Ham/LANDON

ZBIG

STY

MEMORANDUM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

ACTION

MEMORANDUM FOR: THE PRESIDENT
FROM: ZBIGNIEW BRZEZINSKI *ZB.*
SUBJECT: Appointment of Harry Huge to the
General Advisory Committee (GAC)

As you know, the law creating the Arms Control and Disarmament Agency also established a General Advisory Committee (GAC) of non-officials to advise the President, Secretary of State and ACDA Director. Harry Huge requests to be appointed to the GAC. (His memorandum is at Tab A; a strong endorsement from Stu Eizenstat is at Tab B.)

Mr. Huge would be a valuable addition to the GAC (or to President's Foreign Intelligence Advisory Board). However, I would recommend that his name be held pending. We are reviewing, with the participation of the State Department, several Presidential advisory boards. I will have a recommendation to you soon. Even if the GAC continues as presently constituted, you will want to give your new ACDA Director a voice in the selection of GAC members. Finally, Gerard Smith has *Good* written, indicating to you his keen interest in serving as Chairman of GAC.

Accordingly, I recommend holding Huge's name, pending a broader recommendation regarding GAC.

Approve ☒ Disapprove ☐

Comment _____

*Ham -
369 -
Hold -
However, I want to
put Nelson Rockefeller
on 7 I AB - 9/11
let you know
J*

REPRODUCTION OF THIS DOCUMENT IS MADE FOR
INFORMATION PURPOSES

PERSONAL AND ~~CONFIDENTIAL~~

January 25, 1977

MEMORANDUM

TO: President Jimmy Carter
FROM: Harry Huge *HH*
RE: Arms Control and Disarmament Agency

The Arms Control and Disarmament Agency (ACDA) has a General Advisory Committee established by statute.^{1/} I would like to be appointed as a member of the General Advisory Committee. My resume is attached to this Memorandum.

The Committee has up to fifteen members, appointed by the President with the advice and consent of the Senate. The Committee, as of September 3, 1976, had two positions vacant, and, with the appointment of Harold Brown as Secretary of Defense, it now has three vacancies. Presumably, all of the other members have submitted their resignations effective January 20, to you as well.^{2/}

1/ "General Advisory Committee; number; appointment; compensation and expenses; powers and duties; Chairman; meetings.

The President, by and with the advice and consent of the Senate, may appoint a General Advisory Committee of not to exceed fifteen members to advise the Director on arms control and disarmament policy and activities. The President shall designate one of the members as Chairman. The members of the committee may receive the compensation and reimbursement for expenses specified for consultants by section 2591(d) of this title. The Committee shall meet at least twice each year. It shall from time to time advise the President, the Secretary of State, and the Disarmament Director respecting matters affecting arms control, disarmament, and world peace." 22 U.S.C. §2566.

2/ Attached is a list of the members of the Committee.

DETERMINED TO BE AN ADMINISTRATIVE
MARKING BY ME

DATE 3/18/88

President Jimmy Carter
January 25, 1977
Page Two

My reasons for wanting to be appointed to the Committee are relatively simple. It seems to me that for too long the defense and foreign policies of this country have been entrusted to a relatively narrow group of people. They have dominated the discussion of foreign policy alternatives; of defense policies; and determined whether any contrary views should be heard. That, in my view, is a mistake for two reasons. If anything has been shown us in the past two decades, it is that those individuals are not the repository of the sole truth, much less being the repository of such basic things as judgment, analysis, courage and intelligence. People from outside that foreign policy and defense establishment have, and should in the future, raise questions which may never occur to the insiders.

In that regard, I think I can meet that criteria. I never knew anything about labor or trust fund law until I sued the United Mine Workers Union, its Trust Fund, and one of the major banks in Washington. That relative lack of experience was no handicap then; I don't think it would be a handicap now.^{1/}

^{1/} However, I am not all that inexperienced in this area. I have been an advisor to Westinghouse's Industry and Defense Company for the past five years; I have been on the Board of Directors of a small public company which has almost all of its contracts with the Department of Defense and NASA; and my legal experience includes international representation of clients in Europe and once with the Peoples Republic of China.

President Jimmy Carter
January 25, 1977
Page Three

Secondly, I think that people from outside the defense and foreign policy establishments should have the opportunity to obtain meaningful experience in this area. Over the next two decades, these issues will be the most important issues facing this country. Issues of hunger, voter registration, and union and other institutional corruption are very important, as you know, but of a different degree when compared with problems that could destroy a society and leave it in shambles.

My personal views on arms control and disarmament, I think, are essentially the same as yours. We must limit the spread, development and the means to make nuclear weapons, as well as setting some limits on conventional weapons. Yet at the same time, I want to maintain the United States as the strongest country in the world. For the Soviet system, and what it can do to people, is extraordinarily deadening and destructive. In addition, it is probably as militantly imperialistic as the Russia of the Seventeenth and Eighteenth Centuries.

It is for those reasons that I would like to be appointed to the ACDA Advisory Committee.^{1/}

1/ You could talk to some of the following people about me if you wish: John Lewis; Tom Murrin, President of Westinghouse Industry and Defense Company; Clifford Alexander; Edward Bennett Williams; Judge Gerhard Gesell; Joseph Califano; and Governor Jay Rockefeller.

President Jimmy Carter
January 25, 1977
Page Four

In any event, I would like to discuss this with
you, if you desire.

cc: Hamilton Jordan
Landon Butler

RESUME

Harry Huge
1124 St. Stephens Road
Alexandria, Virginia 22304

Birthplace: Deshler, Nebraska

Birthdate: September 16, 1937

Married; one nine-year old son

Present Occupation

Partner, Rogovin, Stern & Huge
1730 Rhode Island Avenue, N.W.
Suite 600
Washington, D.C. 20036

Chairman, Board of Trustees
UMWA Health & Retirement Funds
2021 K Street, N.W.
Washington, D.C. 20006

Past Employment

Partner, Arnold & Porter (1965-1968; 1970-1976)
1229 Nineteenth Street, N.W.
Washington, D.C. 20036

Co-director, Washington Research Project
1823 Jefferson Place, N.W.
Washington, D.C. 20036

Attorney, Chapman & Cutler (1963-1965)
111 West Monroe Street
Chicago, Illinois 60603

Law Clerk, Securities and Exchange Commission (1962-1963)
500 North Capitol Street, N.W.
Washington, D.C. 20549

Legal Cases

My legal work has covered all types of criminal and civil litigation, mostly in federal courts and before

federal administrative agencies. My principal case was a class action on behalf of miners, widows and children against the United Mine Workers of Tony Boyle, its bank and pension fund. I prepared and tried this case in 1969 through 1972 which resulted in some 20,000 miners receiving their pensions and health care, some 15,000 widows receiving health care and pensions, a reform of the pension fund (See The Corrupt Kingdom; Act of Vengeance; and The Buffalo Creek Disaster.), and some \$13,000,000 paid to the pension fund.

I have also represented the Amalgamated Clothing Workers in part of the Farah boycott cases; the Sheet Metal Workers Union trust fund; and dissident members of the Teamsters Union. I have done much corporate and economic regulatory legal work, including international law involving cases dealing with German companies trading with the Peoples Republic of China and Swiss and French finance institutions.

Administrative Experience

Since 1973, I have been the Chairman of the Board of Trustees and Chief Executive Officer of the UMWA Health and Retirement Funds, which provides pension and health benefits to more than 800,000 people nationwide. The Funds have some 600 employees in 20 some states and Washington, D.C. It expends some \$200,000,000 in health care yearly; some \$360,000,000 in pension benefits, and has more than \$300,000,000 in invested assets.

I am also President or on the Executive Committee of several non-profit organizations, as well as on the executive committee of a small public defense and aerospace company. I have also been a member of a public advisory board to the Industry and Defense Company of Westinghouse Electric Company.

Those activities have involved defense, energy, and foreign relations activities.

Public Interest Activities

I have been members of private investigating boards investigating hunger in America in the late 1960s (See the report -- "Hunger in America") and health services

in America in the early 1970s. (See the report -- "Heal Yourself".) I have done legal work as a co-director of the Washington Research Project; in the southern states as President of the Voter Education Project in Atlanta; and in defense-related issues with the Center for Defense Information in Washington, D.C.

Other Activities

Executive Director, Citizens' Board of Inquiry into Health Services for Americans, Washington, D.C., authors of report, "Heal Yourslef"

President and Chairman of the Board of Directors, Voter Education Project, Atlanta, Georgia

Member and Vice Chairman, Board of Directors, Project on Corporate Responsibility; and Sponsor of "Campaign GM," Washington, D.C.

Member, Board of Directors, Southern Regional Council, Atlanta, Georgia

Trustee, Appalachian Regional Hospitals, Inc., Lexington, Kentucky

Member, Citizens' Board of Inquiry into Hunger and Malnutrition in the United States, Washington, D.C., authors of the report, "Hunger, USA"

Member, Board of Trustees, Center for Defense Information, Washington, D.C.

Member, Board of Advisors, Johnson & Johnson Foundation, Rural Practice Project, Chapel Hill, North Carolina

Education

LL.B., Georgetown University Law School, 1963.
Member, Georgetown Law Journal

B.A., Nebraska Wesleyan University, Lincoln,
Nebraska, 1959

Publications

Georgetown Law Journal: Commentary Engel v. Vitale, 51 Geo. L.J. 179 (1962); Economic Regulation of Foreign Air Carriers by the CAB: Its Legality and Reviewability, 51 Geo. L.J. 595 (1963).

The New Republic: (Co-authored with Dr. Robert Coles), "The Way It Is In South Carolina" (November 30, 1968); "FBI on the Trail of the Hunger-Mongers" (December 21, 1968); "'Black Lung,' Mining as a Way of Death" (January 25, 1969); "'We Need Help,' a Message from Mississippi" (March 8, 1969); "Thorns on the Yellow Rose of Texas" (April 19, 1969); "Peonage in Florida" (July 26, 1969). "Looking Forward to President Carter" (co-authored with Simon Lazarus) (June 5, 1976).

Parents': (Co-authored with Dr. Robert Coles), "America's Starving Children, A National Disgrace" (1970).

New South: "Report on the Killings at Jackson State," Summer, 1970; "In Jamie Whitten's Back Yard," Spring, 1969 (co-authored with Dr. Robert Coles).

Awards

Honorable Mention, Robert F. Kennedy Journalism Awards, 1970

Outstanding Young Alumni Award, Nebraska Wesleyan University, 1971

THE ARMS CONTROL AND DISARMAMENT AGENCY

General Advisory Committee

Harold M. Agnew, Chairman

I. W. Abel

Gordon Allott

Harold Brown

James Chambers

Edward Clark

William C. Foster

Lane Kirkland

Carl Marcy

Joseph Martin

John McCone


Dean Rusk

John A. Wheeler

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

January 27, 1977

TO: RICK HUTCHESON
FROM: STU EIZENSTAT 
SUBJECT: Harry Huge Memo, 1/25/77

Harry is super qualified candidate, a superior person and also a great supporter of ours during the campaign. I think, if anything, that he should get an even more responsible position, if he desires.

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

FM
JV
ST

Date: January 26, 1977

Time:

FOR ACTION:

cc (for information): FYI - Rick Hutcheson

Hamilton Jordan

Jack Watson

Landon Butler

Frank Moore OK-FM

Stu Eizenstat

FROM THE STAFF SECRETARY

DUE: Date: Thursday, January 27, 1977

Time: 3:00 P.M.

SUBJECT:

Harry Huge memo, 1/25/77 re
Arms Control and Disarmament Agency.

ACTION REQUESTED:

☐ For Necessary Action☒ For Your Recommendations☐ Prepare Agenda and Brief☐ Draft Reply☒ For Your Comments☐ Draft Remarks

REMARKS:

Please return comments to:

Trudy Fry - West Basement

X 2684

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a

delay in submitting the required material,

telephone the Staff Secretary immediately.

Rick Hutcheson
Staff Secretary

(2)

THE WHITE HOUSE
WASHINGTON

February 4, 1977

Bert Lance -

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Jack Watson (For handling with
Secretary Kreps)

Stu Eizenstat

*See Kreps Memo on
SBA*

CC. Watson
for cups

- Eizenstat

- Laniel

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

*But Lance
Hold
for now -
J.C.*

ACTION

2 February 1977

TO:

THE PRESIDENT

FROM:

RICK HUTCHESON *RH*

SUBJECT:

Secretary Kreps Proposal to
incorporate Small Business
Administration into Department
of Commerce

Bob Lipshutz concurs with Kreps, without further remarks.

No comment from Watson or Moore.

Eizenstat and Lance have detailed remarks, summarized below (their complete comments are attached).

1. Kreps idea is premature, and needs further study in the context of reorganization of the entire government. (Lance and Eizenstat)
2. Historically, there has been strong congressional support for an autonomous SBA. (Lance)
3. A major OMB study (March, 1976) recommended administrative action instead of a major restructuring of SBA. (Lance)
4. A House Subcommittee concluded that reorganization should be the solution of last resort to SBA's problems. (Lance)
5. The small business community might feel that they have lost their identity in a Department generally associated with large corporate interests. (Eizenstat)
6. It would be a mistake to delay appointment of an SBA Administrator, given SBA's past poor performance; the Administrator named should be open-minded toward a possible later merger. (Eizenstat)

THE SECRETARY OF COMMERCE
WASHINGTON, D.C. 20230

January 25, 1977

MEMORANDUM FOR: President Carter
FROM: Juanita M. Kreps
Secretary of Commerce
RE: Small Business Administration

As you are no doubt aware, the Small Business Administration has been an independent agency since its establishment in 1953. As a result, the government's programs of assistance to business are divided between the Department of Commerce and the Small Business Administration with a concomitant lack of coordination and inefficiencies.

The principal reason that the Small Business Administration was organized as an independent agency, rather than being incorporated into the Department of Commerce was the perception by the Congress and small business representatives that the Department of Commerce was primarily concerned with the interests of big business. This perception may well have been accurate in the past. However, your choice of personnel for the Department and our policies should quickly dispell any lingering concerns about the mission of the Department of Commerce.

While SBA is a separate agency, the Office of Minority Business Enterprise (OMBE) is in the Department of Commerce. In the process of reorganization it is the feeling of our staff that these operations should be combined; either OMBE should be placed in SBA or SBA should be made a part of the Commerce Department.

My preference would be for the latter. Government aid to small and minority business should be perceived in conjunction with Economic Development Administration and Domestic and International Business Administration and their activities should be coordinated under one roof. This would save immense duplication and provide coordination not previously possible.

Furthermore, in our Under Secretary-Designate, Dr. Sidney Harman, we have a man with over 35 years of active, on-the-line small business management experience. He has created new companies, generated new products and services, trained managers -- in brief, he has lived the full range of SBA experience. He knows it well.

I therefore propose that:

1. An early decision on the merging of SBA and OMBE be considered;
2. SBA be moved to Commerce;
3. Neither the administrator of SBA or the director of OMBE be selected until the decision on reorganization is made;
4. The personnel be selected on the basis of their compatibility in terms of the missions of both SBA and OMBE; and
5. Either Sidney Harman or myself participate in the selection of the Administrator of SBA for the reasons previously stated.

cc: Mr. Bert Lance



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

MEMORANDUM FOR: RICK HUTCHESON
FROM: BERT LANCE *BR-*
SUBJECT: Secretary Kreps' Proposed Consolidation of SBA
in Commerce

This is in response to your memorandum of January 29, 1977, requesting my comments on Secretary Kreps' proposals regarding the Small Business Administration.

Secretary Kreps' memorandum of January 25, 1977, to the President proposes an early decision on the merging of SBA and the Office of Minority Business Enterprise, Department of Commerce. The Secretary advocates moving SBA to Commerce. It is further proposed that selections of the administrator of SBA and the director of OMBE be postponed pending the decision to reorganize these organizations.

While there may be some merit to the eventual consolidation of federal business assistance to small and minority businesses, I believe that approving Secretary Kreps' proposal would be premature at this time for the following reasons:

1. The Administration's policy on assisting small and minority business should be clearly developed prior to making major reorganization changes in that area.
2. Congress has historically demonstrated strong support for the autonomy of the Small Business Administration. Without a clear identification of how the best interests of the small and minority business communities would be enhanced by the consolidation of SBA in Commerce, the proposed reorganization could raise significant opposition by Congress and representatives from these communities.
3. A major study was completed in March, 1976, by OMB in cooperation with SBA and Commerce. This study addressed various options -- including Secretary Kreps' proposal -- for reorganizing federal minority business assistance programs.

While acknowledging the major problems which existed in the delivery of coordinated minority business assistance, administrative action (i.e. Commerce/SBA letter of understanding) to resolve these problems was considered preferable to a major restructuring of SBA and OMBE programs.


In addition, the House Subcommittee on SBA Oversight and Minority Enterprise held hearings on the reorganization of SBA/OMBE minority business programs. The subcommittee concluded that a major reorganization of these programs should be an alternative of last resort.

In sum, I believe that Secretary Kreps' proposal warrants further study (by OMB and others) in a wider context.

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

January 27, 1977

MEMORANDUM FOR: RICK HUTCHESON
FROM: STU EIZENSTAT 
SUBJECT: Small Business Administration

Although at some point further down the line we may wish to merge the Small Business Administration (SBA) with the Commerce Department, I would disagree with it being done at this time:

- 1) Although Secretary Kreps undoubtedly will be sensitive to the interests of small business, there will not be a public perception of this for some time. Therefore the small business community will feel that it has lost its identity in a Department generally associated with the large corporate interests.
- 2) When a more complete reorganization plan has been developed the Commerce Department itself may be merged with other entities and, in fact, merged out of existence.
- 3) To take such action precipitously and without a great deal of additional study might undercut support in the Congress for giving the President the reorganization authority that he will be seeking.
- 4) Given the poor performance of the SBA in the past, it would be a mistake to go for too long a period of time without an Administrator. The Administrator could be named who would be open-minded to the possibility of a later merger.
- 5) While it would probably make sense to merge the Office of Minority Business Enterprise (OMBE) into the SBA, this again should wait further study since the civil rights and other minority agencies within the government might at some time be consolidated.
- 6) Such proposed action should await a comprehensive reorganization study.

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: January 26, 1977

Time:

FOR ACTION:

cc (for information): FYI - Rick Hutcheson

Jack Watson'

Frank Moore

✓ Hamilton Jordan

✓ Efu Eizenstat

✓ Bob Lipshutz

FROM THE STAFF SECRETARY

DUE: Date: Thursday, January 27, 1977 Time: 10:00 A.M.

SUBJECT:

Juanita Kreps memo, 1/25/77 re
Small Business Administration.

ACTION REQUESTED:

☐ For Necessary Action☒ For Your Recommendations☐ Prepare Agenda and Brief☐ Draft Reply☒ For Your Comments☐ Draft Remarks

REMARKS:

Jordan - Should not go without Lane.
Lipshutz - Concur
Eizenstat - see detailed comments against

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate
delay in submitting the required material,
telephone the Staff Secretary immediately.

Rick Hutcheson
Staff Secretary

THE WHITE HOUSE
WASHINGTON

Rick -

You have the rest of the package on
the Consolidation of SBA ----

Here are OMB's comments that
you ~~were~~ waiting for.

Trudy



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

MEMORANDUM FOR: RICK HUTCHESON
FROM: BERT LANCE *BL*
SUBJECT: Secretary Kreps' Proposed Consolidation of SBA
in Commerce

This is in response to your memorandum of January 29, 1977, requesting my comments on Secretary Kreps' proposals regarding the Small Business Administration.

Secretary Kreps' memorandum of January 25, 1977, to the President proposes an early decision on the merging of SBA and the Office of Minority Business Enterprise, Department of Commerce. The Secretary advocates moving SBA to Commerce. It is further proposed that selections of the administrator of SBA and the director of OMBE be postponed pending the decision to reorganize these organizations.

While there may be some merit to the eventual consolidation of federal business assistance to small and minority businesses, I believe that approving Secretary Kreps' proposal would be premature at this time for the following reasons:

1. The Administration's policy on assisting small and minority business should be clearly developed prior to making major reorganization changes in that area.
2. Congress has historically demonstrated strong support for the autonomy of the Small Business Administration. Without a clear identification of how the best interests of the small and minority business communities would be enhanced by the consolidation of SBA in Commerce, the proposed reorganization could raise significant opposition by Congress and representatives from these communities.
3. A major study was completed in March, 1976, by OMB in cooperation with SBA and Commerce. This study addressed various options -- including Secretary Kreps' proposal -- for reorganizing federal minority business assistance programs.

While acknowledging the major problems which existed in the delivery of coordinated minority business assistance, administrative action (i.e. Commerce/SBA letter of understanding) to resolve these problems was considered preferable to a major restructuring of SBA and OMBE programs.

In addition, the House Subcommittee on SBA Oversight and Minority Enterprise held hearings on the reorganization of SBA/OMBE minority business programs. The subcommittee concluded that a major reorganization of these programs should be an alternative of last resort.

In sum, I believe that Secretary Kreps' proposal warrants further study (by OMB and others) in a wider context.

January 29, 1977

Rick -

Re: Small Business Administration

Jordan - comments This should not go to the
President without Bert Lance's Comments

(I passed this on to Jack Watson's office
but have not heard back from them)

Lipshutz - Concurs with Ms Kreps memo.

Eisenstat --- Has extensive comments why
he is against this move now.
(attached)

Watson and Moore ---

no comments

The memo is dated January 25th.

Trudy Fry

THE WHITE HOUSE

WASHINGTON

Date: 1. 26. 77

MEMORANDUM FOR STAFF SECRETARY

FROM: BOB LINDER *RL*.

The attached materials are forwarded to you for staffing and presentation to the President.

cc: *Jack Watson*

THE SECRETARY OF COMMERCE

WASHINGTON, D.C. 20230

January 25, 1977

MEMORANDUM FOR: President Carter
FROM: Juanita M. Kreps
Secretary of Commerce
RE: Small Business Administration

As you are no doubt aware, the Small Business Administration has been an independent agency since its establishment in 1953. As a result, the government's programs of assistance to business are divided between the Department of Commerce and the Small Business Administration with a concomitant lack of coordination and inefficiencies.

The principal reason that the Small Business Administration was organized as an independent agency, rather than being incorporated into the Department of Commerce was the perception by the Congress and small business representatives that the Department of Commerce was primarily concerned with the interests of big business. This perception may well have been accurate in the past. However, your choice of personnel for the Department and our policies should quickly dispell any lingering concerns about the mission of the Department of Commerce.

While SBA is a separate agency, the Office of Minority Business Enterprise (OMBE) is in the Department of Commerce. In the process of reorganization it is the feeling of our staff that these operations should be combined; either OMBE should be placed in SBA or SBA should be made a part of the Commerce Department.

My preference would be for the latter. Government aid to small and minority business should be perceived in conjunction with Economic Development Administration and Domestic and International Business Administration and their activities should be coordinated under one roof. This would save immense duplication and provide coordination not previously possible.

Furthermore, in our Under Secretary-Designate, Dr. Sidney Harman, we have a man with over 35 years of active, on-the-line small business management experience. He has created new companies, generated new products and services, trained managers -- in brief, he has lived the full range of SBA experience. He knows it well.

I therefore propose that:

1. An early decision on the merging of SBA and OMBE be considered;
2. SBA be moved to Commerce;
3. Neither the administrator of SBA or the director of OMBE be selected until the decision on reorganization is made;
4. The personnel be selected on the basis of their compatibility in terms of the missions of both SBA and OMBE; and
5. Either Sidney Harman or myself participate in the selection of the Administrator of SBA for the reasons previously stated.

cc: Mr. Bert Lance

THE WHITE HOUSE
WASHINGTON

January 27, 1977

MEMORANDUM

TO: Rick Hutcheson

FROM: Bob Lipshutz

RE: Your Action Memorandum re: Juanita Kreps memo,
1/25/77 re: Small Business Administration

I concur with Ms. Kreps memorandum.

THE WHITE HOUSE

23

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: January 26, 1977

Time:

FOR ACTION:

cc (for information): FYI - Rick Hutcheson

Jack Watson

Hamilton Jordan

Stu Eizenstat

Bob Lipshutz

FROM THE STAFF SECRETARY

DUE: Date: Thursday, January 27, 1977

Time: 10:00 A.M.

SUBJECT:

Juanita Kreps memo, 1/25/77 re
Small Business Administration.

ACTION REQUESTED:

☐ For Necessary Action

☒ For Your Recommendations

☐ Prepare Agenda and Brief

☐ Draft Reply

☒ For Your Comments

☐ Draft Remarks

REMARKS:

*Rick - This should not go to the
President without Bert Lance's comments.
Landon*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a
delay in submitting the required material, please
telephone the Staff Secretary immediately.

Rick Hutcheson
Staff Secretary

Date: January 26, 1977

Time:

29

FOR ACTION:

cc (for information): FYI - Rick Hutcheson

Jack Watson
Hamilton Jordan
Stu Eizenstat
Bob Lipshutz
FROM THE STAFF SECRETARY

xc: Bert
DAVID

DUE: Date: Thursday, January 27, 1977 Time: 10:00 A.M.

SUBJECT:

Juanita Kreps memo, 1/25/77 re
Small Business Administration.

ACTION REQUESTED:

☐ For Necessary Action☒ For Your Recommendations☐ Prepare Agenda and Brief☐ Draft Reply☒ For Your Comments☐ Draft Remarks

REMARKS:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a
delay in submitting the required material, please
telephone the Staff Secretary immediately.

Rick Hutcheson
Staff Secretary

THE WHITE HOUSE
WASHINGTON

February 4, 1977

Chip Carter

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Hamilton Jordan

To Chip.
Discuss E Ham
J

PRESIDENTIAL

INAUGURAL COMMITTEE

1977

INFORMATION BROCHURE



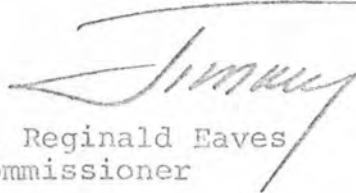
February 4, 1977

To Reggie Eaves

I appreciate your comments about my senior staff members. While these assistants are not black, there will be minority representation in the advisory groups who submit recommendations to me.


Thank you for offering to assist us in the recruitment of qualified and competent blacks to serve in my Administration. I am forwarding your letter to Hamilton Jordan so that he will be aware of your concern and interest.

Sincerely,



The Honorable A. Reginald Eaves
Public Safety Commissioner
City of Atlanta
Atlanta, Georgia 30303

*encl: list of black appointees
to Date*


TREASURY DEPARTMENT

Dennis Green
Deputy Secretary

THE WHITE HOUSE
WASHINGTON

February 4, 1977

For
Frank Moore

The attached was returned in the President's outbox. It would be greatly appreciated if you would deliver this letter.

Rick Hutcheson

cc: James Schlesinger
Paul Warnke
Secretary Andrus thru Jack
Watson
Secretary Vance thru Zbigniew
Brzezinski

Letter to Scoop Jackson

THE WHITE HOUSE
WASHINGTON

BCC
Schlesinger
Wamke
Andrus
Vance

J

THE WHITE HOUSE
WASHINGTON

TO: THE PRESIDENT
FROM: Frank Moore *FM*
DATE: February 3, 1977

Attached are comments
for your breakfast with
Senator Jackson.

FM

THE WHITE HOUSE
WASHINGTON

2.4.77

To Scoop Jackson

Thank you for your good advice. I look forward for an early meeting re SALT.

I'm glad that you & Helen will be coming to the Trudeau Supper.

Paul Warnke will contact you re an appointment.

Schlesinger & Andrus will stay in close touch on the energy legislation.

Jimmy

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

THE WHITE HOUSE
WASHINGTON

Confidential

C

February 3, 1977

MEMORANDUM TO: FRANK MOORE
FROM: DAN TATE *[Signature]*
RE: SENATOR HENRY M. JACKSON

On Friday morning at 8:00, the President is having breakfast with Senator Jackson who is a key Senator in many respects. If the Senate Committee Reorganization resolution is adopted, he will be the Chairman of the Energy and Natural Resources Committee, to which all energy legislation (except reorganization) will go. Presently, Senator Jackson is Chairman of the Interior Committee which has a substantial slice of the energy/environmental pie. He is the ranking Democrat on the Armed Services Committee and the second ranking Democrat on Government Operations Committee. He has a substantial following in the Senate in defense and foreign policy as well as energy and environmental matters.

He is extremely upset with the President. He has not been appropriately consulted on nominations. He feels that he was abused and embarrassed by the President in selecting the Secretary of the Interior. Jackson says that he was asked to interview several candidates and to pass along his recommendations on them, and he did so. Yet, in announcing Governor Andrus' nomination, the President stated that Andrus was the only person he ever considered.

He is also leading the charge against Paul Warnke and is working the Floor vigorously. Here again, his zeal can be traced, in part, to his feeling of rejections and lack of consultation. Of course, he and Warnke do not agree on most arms control matters either.

The President could make good use of the breakfast to soothe Scoop's battered ego and to genuinely ask for his help on a variety of issues (energy, environment, reorganization, and whatever possible defense and foreign policy issues).

Scoop is a very proud and very sensitive man. He feels abused, embarrassed, and neglected. He feels the President has not leveled with him and other Members of Congress. Bluntly, he believes all of the President's talk about consultation, cooperation and coordination with the Congress is a lot of bunk. He is bitter and has made life in the Senate Liaison pretty miserable lately.

DECLASSIFIED
Per Pac Project
ESDN: NLC: 80-64-1-2
BY: WMA, DUE 12/14/82